

COOLIDGE
♦ MUNICIPAL AIRPORT ♦

Chapter Six
FINANCIAL PROGRAM

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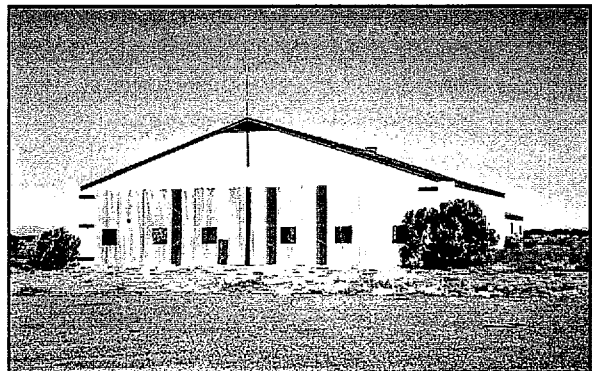


The successful implementation of the Coolidge Municipal Airport Master Plan will require sound judgement on the part of City management. Among the more important factors influencing decisions to carry out a recommendation are timing and airport activity. Both of these factors should be used as references in plan implementation. Experience has indicated that major problems have materialized from the standard format of past planning documents. These problems center around the plan's inflexibility and inherent inability to deal with new issues that develop from unforeseen changes that may occur after it is completed. The format used in the development of this master plan has attempted to deal with this issue.

While it is necessary for scheduling and budgeting purposes to consider the timing of airport development, the actual need for facilities is established by airport activity.

Proper master planning implementation suggests the use of airport activity levels rather than time as guidance for development. Tracking airport activity levels and then comparing these to forecast activity levels and facility requirements provides decision-makers with the ability to anticipate and plan for improvements when actual facilities are needed.

The presentation of the airport improvement program has been organized into three sections. First, the airport development schedule is presented in narrative and graphic form. Secondly, airport improvement funding sources on the federal, state, and local levels are identified and discussed. Finally, a continuous planning program is presented which will aid the City of Coolidge in successfully implementing the airport improvement program.



AIRPORT DEVELOPMENT SCHEDULE AND COST SUMMARIES

The airport development schedule presented in this chapter outlines the costs for each recommended project and estimates when development should take place. The program outlined on the following pages has been evaluated from a variety of perspectives and represents the culmination of a comparative analysis of basic budget factors, demand, and priority assignments.

Anticipated airport improvements required to meet forecast demand over the 20-year planning period of this master plan document are included in the airport development schedule. Since forecast demand and operational changes can change, frequently on short notice, the airport development schedule has been divided into planning horizons. Planning horizons are intended to reflect the fact that many future improvements for the airport are demand-based, rather than time-based, and that the actual need to improve facilities will be linked to specific and verifiable activity. The airport development schedule should be viewed as a fluid document which can be modified to reflect actual growth in airport activity.

The short-term (0-5 years) planning period covers items of highest priority as well as items that should be developed as the airport approaches short-term projected demand. When short-term projected demand levels are reached, it will be time to program for

intermediate term (6-10 years) demand levels. This procedure remains the same for the balance of the planning period. The short term planning horizon is the only stage of the airport development schedule which refers to development in specific years as demand can be more easily defined during this period and many scheduled improvements are items important to the safe operation and maintenance of the airport. The final segment of this chapter (refer to the Continuous Planning segment) will provide various worksheets to aid City management in making decisions relative to the implementation of these improvements.

The airport development schedule is presented in **Exhibit 6A**. In addition to the listing of actual improvement projects, an estimate has been made of the federal and state funding assistance available for each airport improvement project as well as the local share costs for completing the recommended improvements. Due to the conceptual nature of a master plan, implementation of capital improvement projects should occur only after further refinement of their design and costs through architectural and/or engineering analyses. The cost estimates reflect an allowance for engineering and other contingencies (30 percent) that may be anticipated on the project. Capital costs in this chapter should be viewed only as estimates subject to further refinement during design. Nevertheless, these estimates are considered sufficiently accurate for performing the feasibility analyses in this chapter.

DEVELOPMENT ITEM	TOTAL COST	FEDERALLY ELIGIBLE	STATE ELIGIBLE	LOCAL SHARES
SHORT TERM HORIZON IMPROVEMENTS				
1997				
1. Rehabilitate Runway 5-23 and 17-35 Pavement Surfaces	\$415,000	\$0	\$373,500	\$41,500
1998				
2. Clear Airport Safety Areas of Trees, Shrubs, and Abandoned Building	35,000	31,871	1,564	1,565
3. Install Security Fencing (Along Apron, A Street)	80,000	72,848	3,576	3,576
4. Upgrade Existing Underground Storage Tanks to Federal Standards	19,000	0	0	19,000
Subtotal	134,000	104,719	5,140	24,141
1999				
5. Rehabilitate Apron Pavement Surfaces (Joint Repair/Slab Replacement)	225,000	0	202,500	22,500
2000				
6. Rehabilitate Taxiways 1, 3, 4, 5, and 6 Pavement Surfaces	150,000	0	135,000	15,000
7. Construct Holding Apron/Turn Around at Runway 35 End	35,000	31,871	1,565	1,565
Subtotal	185,000	31,871	136,565	16,565
2001				
8. Construct 6 T-Hangar Units*	156,000	0	0	156,000
9. Construct Taxiway Access to Corporate Hangar Parcels	55,000	50,083	2,459	2,459
10. Construct Paved Parking for T-Hangars and Corporate Hangar Parcels (25 Spaces)	15,000	0	0	15,000
Subtotal	226,000	50,083	2,459	173,459
Total Short Term Improvements	\$1,185,000	\$186,673	\$720,164	\$278,165
INTERMEDIATE HORIZON IMPROVEMENTS				
1. Install Pavement Edge Lighting Runway 17-35	\$200,000	\$182,120	\$8,940	\$8,940
2. Install Pavement Edge Lighting Taxiways 1, 3, 5	205,000	186,673	9,164	9,164
3. Construct Holding Apron at Runway 5 End	35,000	31,871	1,564	1,565
4. Reconstruct Closed Portions of Taxiway 1	715,000	651,079	31,960	31,961
5. Reconstruct Taxiway 2	140,000	127,484	6,258	6,258
6. Rehabilitate/Widen Terminal Entrance Road	150,000	136,590	6,705	6,705
7. Rehabilitate (Pave) 1st Street	25,000	22,765	1,118	1,118
8. Construct Paved Parking at Terminal Area (50 Spaces)	35,000	0	0	35,000
9. Construct Paved Roadway Access to South Hangar	75,000	68,295	3,352	3,353
10. Rehabilitate Taxiway Access to South Hangar	180,000	163,908	8,046	8,046
11. Replace Runway 5 and 23 VASI's with PAPI's	100,000	91,060	4,470	4,470
12. Purchase Easement to Protect Runway 5 Runway Protection Zone (12 Acres)	80,000	72,848	3,576	3,576
13. Purchase Easement to Protect Runway 23 Runway Protection Zone (2 Acres)	15,000	13,659	671	671
Total Intermediate Horizon Improvements	\$1,955,000	\$1,748,352	\$85,824	\$120,824
LONG RANGE HORIZON IMPROVEMENTS				
1. Construct 6 T-Hangar Units*	\$156,000	\$0	\$0	\$156,000
2. Construct Conventional Hangar (10,000 s.f.)*	750,000	0	0	750,000
3. Water System Upgrades	100,000	0	0	100,000
4. Sanitary Sewer System Upgrades	100,000	0	0	100,000
5. Install PAPI's to Runways 17 and 35	100,000	91,060	4,470	4,470
6. Install REIL's to Runways 5 and 23	100,000	91,060	4,470	4,470
7. Construct Public Terminal Building/Administration Building	200,000	0	0	200,000
8. Relocate Parachutist Landing Area/Construct Gravel Roadway Access	10,000	0	0	10,000
9. Construct Parallel Taxiway on North Side of Runway 5-23	1,750,000	1,575,000	87,500	87,500
Total Long Range Horizon Improvements	\$3,266,000	\$1,757,120	\$96,440	\$1,412,440
TOTAL PROGRAM COST	\$6,406,000	\$3,692,145	\$902,428	\$1,811,429

PAPI - Precision Approach Slope Indicator

VASI - Visual Approach Slope Indicator

REIL - Runway End Identifiers

* Eligible for State Airport Loan Program

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SHORT TERM PLANNING HORIZON IMPROVEMENTS

The short term planning horizon roughly equates with the first five years of the 20-year planning period (1997-2001). Development within the short term planning horizon is concentrated on the most immediate needs of the airport. This includes pavement maintenance and rehabilitation, safety and security improvements, rehabilitating fuel storage to meet environmental requirements, and developing hangar areas for airport revenue enhancement and to increase the number of based aircraft. Short term planning horizon improvements are estimated at \$1.39 million.

Rehabilitation of all existing pavement areas is included in the short term planning horizon. The City has already received a grant from ADOT for the rehabilitation of both runways (anticipated to be completed in 1997). All pavement rehabilitation projects are eligible for State funding assistance.

The primary security improvement included in the short term planning horizon is the installation of fencing along the airport entrance road and apron area to prevent vehicle access to the airfield and other areas of the airport. Presently, no fencing is provided in these areas. This project is eligible for both State and Federal funding assistance.

The primary safety improvement included in the short term planning horizon is the clearing and grading of all designated safety areas on the airport. As previously detailed in Chapter 4, Alternatives, a number of shrubs and bushes and a building

previously used by the Air Force to monitor training traffic using Runway 5-23 are located within runway safety areas which are required by the FAA to be clear of objects not needed for aviation purposes. This project is eligible for both State and Federal funding assistance.

As mentioned in the facility needs evaluation, the existing underground fuel storage tanks were constructed and installed at the airport before 1988 when new federal Environmental Protection Agency (EPA) regulations were enacted regarding underground fuel storage. While the 1988 regulations initially applied to new tank construction and installation, all existing underground storage tanks will be required to meet the 1988 standards by December 22, 1998. While an evaluation of the existing tanks ability to meet the 1988 EPA regulations is beyond the scope of this study, a contingency has been provided within the short term planning horizon for the development of a new fuel storage area should it be cost prohibitive or difficult to meet the EPA regulations with the existing underground storage tanks.

The alternatives analyses concluded that constructing an aboveground fuel storage area on the apron near the existing underground fuel storage location would be the best possible option should the existing underground fuel storage tanks not meet EPA requirements. Aboveground fuel storage reduces many of the regulatory requirements for fuel storage. Locating the fuel storage tanks on the apron near the existing fuel storage area allows for direct fueling from the storage tanks and the possibility to establish a self-service fueling island.

A self-service fuel island would allow pilots to refuel their own aircraft using a credit card which would also allow for 24-hour fuel availability at the airport. This project is eligible under the State Airport Loan Program.

The construction of a holding apron/aircraft turnaround at the Runway 35 end is intended to provide an area for aircraft to prepare for departure off the runway. Taxiway access to the Runway 35 end was eliminated when a portion of Taxiway 1 and Taxiway 2 were closed due to deteriorated pavement. While the construction of the holding apron/aircraft turnaround will not eliminate the need to back-taxi along the runway to reach the Runway 35 end, it will improve the safety of operations along the runway by keeping aircraft off the runway when preparing for departure. This project is eligible for State and Federal funding assistance.

Remaining projects within the short term planning horizon include constructing T-hangars, and preparing an area for the development of individual/corporate hangars to meet forecast demand. As noted in previous chapters, T-hangars should be constructed on available apron area north of the existing large conventional hangar and the individual/corporate hangar area prepared adjacent to the apron. The preparation costs of the individual/corporate hangar area include constructing taxiway and roadway access and a vehicle parking area which will also serve the T-hangars. These improvements are eligible under the State Airport Loan Program. Revenues generated from ground leases or rentals from individual hangar units (should the City develop

the T-hangars) should offset development costs.

INTERMEDIATE PLANNING HORIZON IMPROVEMENTS

Improvements included in the intermediate planning horizon are intended to improve the service level of the airfield, protect the long range viability of the airport, and improve airport ground access. The intermediate planning horizon roughly equates with the second 5-year period (2002-2006) of the 20-year airport improvement program. Total intermediate planning horizon improvements are estimated at \$1.95 million.

The primary airfield improvements include rebuilding closed taxiways, constructing a holding apron/aircraft turnaround at the Runway 5 end, and upgrading airfield lighting. Presently, Taxiway 2 and two portions of Taxiway 1 are closed due to deteriorated pavement. Projects included in the intermediate planning horizon are intended to rebuild these taxiway surfaces. Currently, airfield access to the south hangar utilizes a portion of an abandoned runway. For this building to be effectively used for future skydiving activities this taxiway will need to be rebuilt. A holding apron/aircraft turnaround at the Runway 5 end is planned as direct taxiway access is not available to the runway threshold. Airfield lighting improvements include installing medium-intensity pavement edge lighting along Runway 17-35 and Taxiways 1, 3, and 5 which currently are without pavement edge lighting. The installation of pavement edge

lighting on the closed portions of Taxiway 1 and Taxiway 2 is assumed to be completed when the pavement surfaces are rebuilt. An additional airfield lighting improvement is replacing the existing visual approach slope indicators (VASI's) installed at the Runway 5 and 23 ends with newer more efficient precision approach path indicators (PAPI's). Currently, the VASI's are inoperable.

Ground access improvements include rehabilitating and widening the main airport entrance road, constructing paved access to the south hangar (which is currently accessed only through dirt and gravel roads), paving 1st Street which provides access to the terminal area, and constructing a paved parking area at the main terminal area.

The following property purchases are included in the intermediate planning horizon: the fee simple purchase of 12 acres of land to protect the Runway 5 runway protection zone, and the fee simple purchase of 2 acres of land to protect the Runway 23 runway protection zone.

LONG RANGE PLANNING HORIZON

Long range planning horizon improvements are intended to produce an airport capable of accommodating expected aviation activity in the central Pinal County area and accommodating increased aviation-related and industrial/commercial development at the airport. During the long range planning horizon the airport is expected to have 25 based aircraft and accommodate 12,300 annual aircraft operations. This growth can be

expected to include business and corporate users, utilizing more turboprop and small business jet aircraft. Total long range planning horizon improvements are estimated at \$3.26 million.

Hangar development within the long range planning horizon is intended to accommodate increased numbers of based aircraft. A second 6-unit T-hangar facility and 10,000 square feet of conventional hangar space are included in this planning period. The conventional hangar space is expected to supplement the existing large conventional hangar and provide additional aircraft storage and maintenance space. A large conventional hangar (similar in size to the existing conventional hangar) is planned for the area south of the existing administration/FBO building. T-hangars are planned for the north apron area.

Expected growth in commercial development at the airport and general aviation may require the full-time presence of an airport management team at the airport. The development of a public terminal/airport administration office is included in the long range planning horizon to provide an area for airport administration offices and to public facilities such as restrooms and flight planning areas for general aviation users.

The remaining improvements included in the long range planning horizon are intended to promote increased commercial development at the airport site. Water and sanitary sewer upgrades will be needed as additional facilities are constructed at the airport. The relocation of the parachutist

landing area will provide additional area for aviation-related development along Taxiway 2. A parallel taxiway north of Runway 5-23 will provide airfield access to the planned aviation-related commercial development areas north of Runway 5-23.

AIRPORT DEVELOPMENT AND FUNDING SOURCES

Financing future airport improvements will not rely exclusively upon the financial resources of the City of Coolidge. Airport improvement funding assistance is available through various grant-in-aid programs on both the state and federal levels. The following discussion outlines the key sources for airport improvement funding and how they can contribute to the successful implementation of this master plan.

FEDERAL AID TO AIRPORTS

The United States Congress has long recognized the need to develop and maintain a system of aviation facilities across the nation for national defense and promotion of interstate commerce. Various grants-in-aid programs to public airports have been established over the years for this purpose. The current federal grant-in-aid program is the Airport Improvement Program (AIP) of 1982. AIP has been reauthorized several times with the most recent reauthorization (the Federal Aviation Authorization Act of 1996) extending through federal fiscal year 1998. Funding is authorized at \$2.28 billion for fiscal year 1997 and at \$2.347 billion for fiscal year 1998.

The source for AIP funds is the Aviation Trust Fund. The Aviation Trust Fund was established in 1970 to provide funding for aviation capital investment programs (e.g., facilities and equipment, research and development, and grants for airport development and expansion projects). A majority of the FAA's operations account is financed through the Aviation Trust Fund. The Aviation Trust Fund is funded by federal user fees and taxes on airline tickets, aviation fuel, and various aircraft parts.

AIP funds are distributed each year by the FAA under authorization from the United States Congress. A portion of each year's authorized level of AIP funding is distributed to all eligible commercial service airports through an entitlement program that guarantees a minimum level of federal assistance each year based on prior year enplanements and/or cargo service levels. The remaining AIP funds are distributed on a discretionary basis by the FAA.

Exhibit 6B depicts the history of AIP authorizations and appropriations. Unfortunately, the funding levels authorized in the legislation are not always the levels appropriated in the annual Congressional budget process. In fiscal year 1996, the AIP authorized level was \$2.161 billion, but only \$1.45 billion was appropriated. When the appropriation is too low to meet the full entitlement formula, the entitlement is prorated to the appropriated levels. In 1996, this was approximately 77 percent of the authorized levels.

MILLION \$

3,000

2,500

2,000

1,500

1,000

500

1982

1985

1990

1995

1998

FAA FISCAL YEAR

— AUTHORIZATION LEVELS
— APPROPRIATIONS LEVELS

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The Federal Aviation Authorization Act of 1996 adjusted allocation formulas to increase entitlements over previous levels and to establish that discretionary funding be at least \$148 million in addition to Letter of Intent (LOI) commitments. According to FAA, the fiscal year 1997 appropriation of \$1.46 billion should provide full funding of entitlements even though this is the largest discrepancy ever between appropriated and authorized AIP funding. Discretionary funding is anticipated to be approximately \$300 million. As of mid-January 1997, AIP funding for federal fiscal year 1998 had not been appropriated.

The Federal Aviation Authorization Act of 1996 also eliminated discretionary set-asides of 1.5 percent for small commercial service airports, and 5.0 percent for reliever airports and combines them with the general aviation into the State General Aviation Allocation. The "States" set-aside allocation was increased from 12.5 percent to 18.5 percent. For 1997 this will total \$270.1 million compared to \$228.9 million for the three set-asides in 1996.

In Arizona, airport development projects that meet the FAA's discretionary funds eligibility requirements, receive 91.06 percent funding from the AIP. Eligible projects include airfield, apron, terminal, and access road improvements. However, revenue generating improvements such as automobile parking, fuel facilities, utilities, and hangars are not eligible for AIP funding.

FAA FACILITIES AND EQUIPMENT PROGRAM

The Airway Facilities Division of the FAA administers the national Facilities and Equipment (F&E) Program. This annual program provides funding for the installation and maintenance of various navigational aids and equipment for the national airspace system and airports. Under the F&E program, funding is provided for FAA air traffic control towers, enroute navigational aids such as the VOR, and on-airport navigational aids such as PAPI's and approach lighting systems. As activity levels and other development warrant, the airport may be considered by the FAA Airways Facilities Division for the installation and maintenance of navigational aids through the F&E program. Recommended improvements in this master plan which may be eligible for funding through the F&E program include the PAPI's for each runway end and REIL's for the Runway 5 and 23 ends. Should the Airway Facilities Division of the FAA install these navigational aids at the airport, they would be operated and maintained by the FAA at no expense to the airport.

STATE AID TO AIRPORTS

In support of the state airport system, the State of Arizona also participates in airport improvement projects. The source for State airport improvement funds is the Arizona Aviation Fund. Taxes levied by the State on aviation fuel, flight property, aircraft

registration tax, and registration fees, as well as interest on these funds are deposited in the Arizona Aviation Fund. The Transportation Board establishes the policies for distribution of these State funds.

Under the State of Arizona grant program, an airport can receive funding for one-half (4.47 percent) of the local share of projects receiving federal AIP funding. The State also provides 90 percent funding for projects, such as pavement maintenance, which are not eligible for AIP funding. The State has set a maximum grant amount of \$965,000 for all eligible airports in fiscal year (FY) 1997.

State Airport Loan Program

The Arizona Department of Transportation - Aeronautics Division (ADOT) recently established the Airport Loan Program. This program was established to enhance the utilization of State funds and provide a flexible funding mechanism to assist airports in funding improvement projects. Eligible projects include runway, taxiway, and apron improvements; land acquisition, planning studies, and the preparation of plans and specifications for airport construction projects, as well as revenue generating improvements such as hangars and fuel storage facilities. Projects which are not currently eligible for the State Airport Loan Program are considered if the project would enhance the airport's ability to be financially self-sufficient.

There are three ways in which the loan funds can be used: Grant Advance, Matching Funds, or Revenue Generating Projects. The Grant

Advance funds are provided when the airport can demonstrate the ability to accelerate the development and construction of a multi-phase project. The project(s) must be compatible with the Airport Master Plan and be included in the ADOT 5-year Airport Development Program. The Matching Funds are provided to meet the local matching fund requirement for securing federal airport improvement grants or other federal or state grants. The Revenue Generating funds are provided for airport-related construction projects that are not eligible for funding under another program. The availability of funds through this program is subject to the aviation revenues generated in the State.

LOCAL FUNDING

The balance of project costs, after consideration has been given to grants, must be funded through local resources. Traditionally, local funding for airports has come from the public sector which would underwrite bonds or designate general tax revenues for airport improvements. However, the private sector, as a source for airport funding, is often overlooked.

Private investment can be significant and come in several forms. For example, private investment in the construction of T-hangars and fixed based operator (FBO) facilities on property leased from the airport is a common method of providing improved airport facilities. Another method of private investment involves a private firm constructing airport facilities and then leasing them back to the airport sponsor. The development of aviation-related industrial facilities on the

airport is another method of private investment in the airport.

Although not a common means of financing airport development projects, the role of private financial contributions to an airport not only increases the financial support of a project, but also stimulates moral support for airport development. It is not unusual for a community to approach local businesses and industries for contributions to help improve the airport. For example, a company with a larger, more demanding aircraft may contribute portions of the development funds for a runway extension. Commitment on the part of the private sector reflects the importance of the airport to the local businesses and industry.

However, funding for improved airport facilities ultimately lies with the City of Coolidge. Funding for airport improvements should come from airport revenues first. However, should airport revenues not be sufficient to fund an improvement, funding may have to come from general tax revenues. While it is ideal that funding for airport improvements should be made through airport revenues, the benefit of the airport to local community in terms of its role in developing and supporting local economic growth should be a factor in continuing to improve airport facilities. Because of the important role that the airport clearly plays in the community as a whole, the private and public sector must work together to ensure that adequate financing is available for future airport development needs.

RENTAL RATES

A rental study has been completed as part of this master plan study to assist the City of Coolidge in determining reasonable rates and charges for airport facilities by estimating the existing market rental rates of various airport facilities. The rental study estimated the current market value of the facilities included in the Brunetto Flying Service lease, the South Hangar, the former fire compound, and a typical five acre tract of land on the airport with taxiway access. The rental study compared rental rates of comparable property at various airports across Arizona to estimate the existing market rates for airport facilities. A copy of the rental study, completed by Bruce D. Greenberg, Inc., is available in a separate document provided to the City of Coolidge.

FAA COMPLIANCE

As previously mentioned in Chapter One, the City of Coolidge is currently in the process of resolving a compliance issue with the FAA. To date, several steps have been taken to bring the airport into compliance including; rescinding Ordinance 92-10 which restricted skydiving activities at the airport; establishing a new parachute landing area east of Runway 17-35; and developing a new "standardized" lease for land and facilities at the Airport. After reviewing available records and discussing the compliance issue with the FAA there are, however, several other issues the City should address including the following:

- **Establish Airport Minimum Standards and Rules and Regulations**

The City presently has no Airport Minimum Standards that establish the criteria for firms or individuals wishing to provide aeronautical services to the public, nor are there any Rules and Regulations that govern activity at the Airport. In order to establish a level playing field for all parties, the City should consider adopting both Minimum Standards and Rules and Regulations for Coolidge Municipal Airport.

In 1996 the American Association of Airport Executives (AAAE), in cooperation with the National Air Transportation Association (NATA), developed a *Sponsor's Guide to Preparing Minimum Standards for Airport Aeronautical Service Providers and Airport Operating Rules and Regulations*. Utilizing the information from this guide, a "Draft" set of Airport Minimum Standards has been developed for the City of Coolidge. In addition, a "Draft" set of Airport Rules and Regulations has been developed. A copy the *Sponsor's Guide to Preparing Minimum Standards for Airport Aeronautical Service Providers and Airport Operating Rules and Regulations*, as well as the Draft set of Airport Minimum Standards and Airport Rules and Regulations is available in a separate document provided to the City of Coolidge.

- **Establish an Airport Rates and Fees Schedule**

Utilizing the appraisal information developed by Bruce D. Greenberg, Inc., the City of Coolidge should consider adopting a formal schedule of rates and

fees for airport tenants and users. This schedule of rates and fees should be updated on a regular basis and approved by City Council.

- **Develop an agreement with the Military for use of the Airport**

If the Military continues to utilize the Airport on a regular basis (300 or more landings per year), the City should enter into an agreement with the Military whereby the City would receive some form of reimbursement for the operation and maintenance of the airfield.

- **Develop an Airport Manager Agreement with the Fixed Base Operator (FBO)**

The City Manager is currently the "official" Airport Manager for the City. If the City desires, it may delegate administrative or maintenance functions to the FBO. If this is done, then the City and the FBO should enter into an agreement, approved by City Council, that outlines the specific managerial responsibilities and obligations. This agreement should be completely separate from the FBO's lease agreement with the City.

- **Consider Renegotiating the Aero Union Lease**

The Aero Union lease was entered into in 1982 and since that time there have been two assignments of the lease. The lease was last assigned in January of 1992 and is currently held by Brunetto Enterprises, Inc. and will remain in force until 2003. However, since conditions at the airport have changed dramatically since 1982, it may be appropriate at this time to consider

renegotiating the Aero Union Lease using the new standardized lease agreement. Renegotiation will allow for a clearer definition of the activities allowed to be performed by the FBO, reallocate the amount of apron space assigned to the FBO (thereby eliminating the appearance of exclusivity), and extend the term of the lease to allow the FBO to amortize the cost of new capital investment.

PLAN IMPLEMENTATION

The best means of beginning the implementation of recommendations of this master plan is to first recognize that planning is a **continuous process** that does not end with completion of the master plan. Rather, the ability to continuously monitor the existing and forecast status of airport activity must be provided and maintained. The basic issues upon which this master plan is based will remain valid for several years. In fact, they are likely to remain valid into the next century. As such, the primary goal is for the airport to evolve into a facility that will best serve the air transportation needs of the local area well into the 21st century and to evolve into a self-supporting economic generator for the region.

Toward meeting this goal, successful implementation of airport improvement projects will require sound judgement by airport management. Among the more important factors influencing the decision by airport management to carry out a specific improvement are **timing** and **airport activity**. Both factors should be used as references in the implementation of the master plan. In this master plan, focusing on the

timing of airport improvements was necessary. However, the actual need for facilities is more appropriately established by airport activity levels rather than a specified date.

For example, based aircraft projections have been made which will require the construction of T-hangar facilities. However, in reality, the time frame in which these facilities will be needed may be substantially different. Actual demand may be slow in reaching forecast activity levels. On the other hand, increased based aircraft totals may establish the need for new facilities much sooner. Although every effort has been made in this master planning process to conservatively estimate when facility development may be needed, aviation demand will dictate when facility improvements need to be accelerated or delayed.

The real value of a usable master plan is that it keeps the issues and objectives in the mind of the user so that he or she is better able to recognize change and its effect. In addition to adjustments in aviation demand, decisions made as to when to undertake recommended improvements in this master plan will impact the period that the plan remains valid. The format used in this plan is intended to reduce the need for costly updates. Updating can be done by the user, improving the plan's effectiveness.

In summary, the planning process requires the City of Coolidge to consistently monitor the progress of the airport in terms of total aircraft operations, total based aircraft, and overall aviation activity. Analysis of aircraft demand is critical to the exact

timing and need for new airport facilities. The information obtained from this continuous monitoring process will provide the data necessary to determine if the development schedule should be accelerated or decelerated.

The development schedules and exhibits presented on the following pages are designed to aid airport management in the continuous evaluation of programming of airport development. The development schedules should not be viewed as a commitment to the improvements shown. Rather, it is hoped that the inclusion of these tables and exhibits

will help decision makers recognize the continuous planning process and allow the airport master plan to become a valuable tool in this process.

With the information collected and recorded on the following sheets, adjustments in the development schedule can be made to effectively deal with variations in forecast or any unanticipated demand that may arise. By closely monitoring the activity and availability of funds with the work sheets provided on the following pages, management will be able to carry out its function of implementing the master plan.

SHORT TERM PLANNING HORIZON

Airport Development Program

The table provided below has been designed to note the funds available for development so that they can be kept in mind while analyzing the development factors outlined for this

period on the next few pages. The table also provides a reminder of other potential funding sources that might be used in critical situations.

Airport Funds Balance	\$
Bonds	\$
Contributions / Other	\$
TOTAL	\$

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the planning horizon envelope. This

should be the first step in the process of initiating the recommended development program for this period. Significant increases or decreases in actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	Short Term Planning Horizon Forecast Levels	Actual	Difference
Based Aircraft Operations	1 to 9 8,500 to 9,500		

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which

may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors?

In order to maintain the continuity of a staged development plan and to meet forecast activity demand, the following development items are recommended. Each item is numbered so that it can

be cross-referenced on the following exhibit. The costs for each development item includes a 30 percent factor for engineering, contingency, and administration.

SHORT TERM PLANNING HORIZON (Continued)

Development Funding

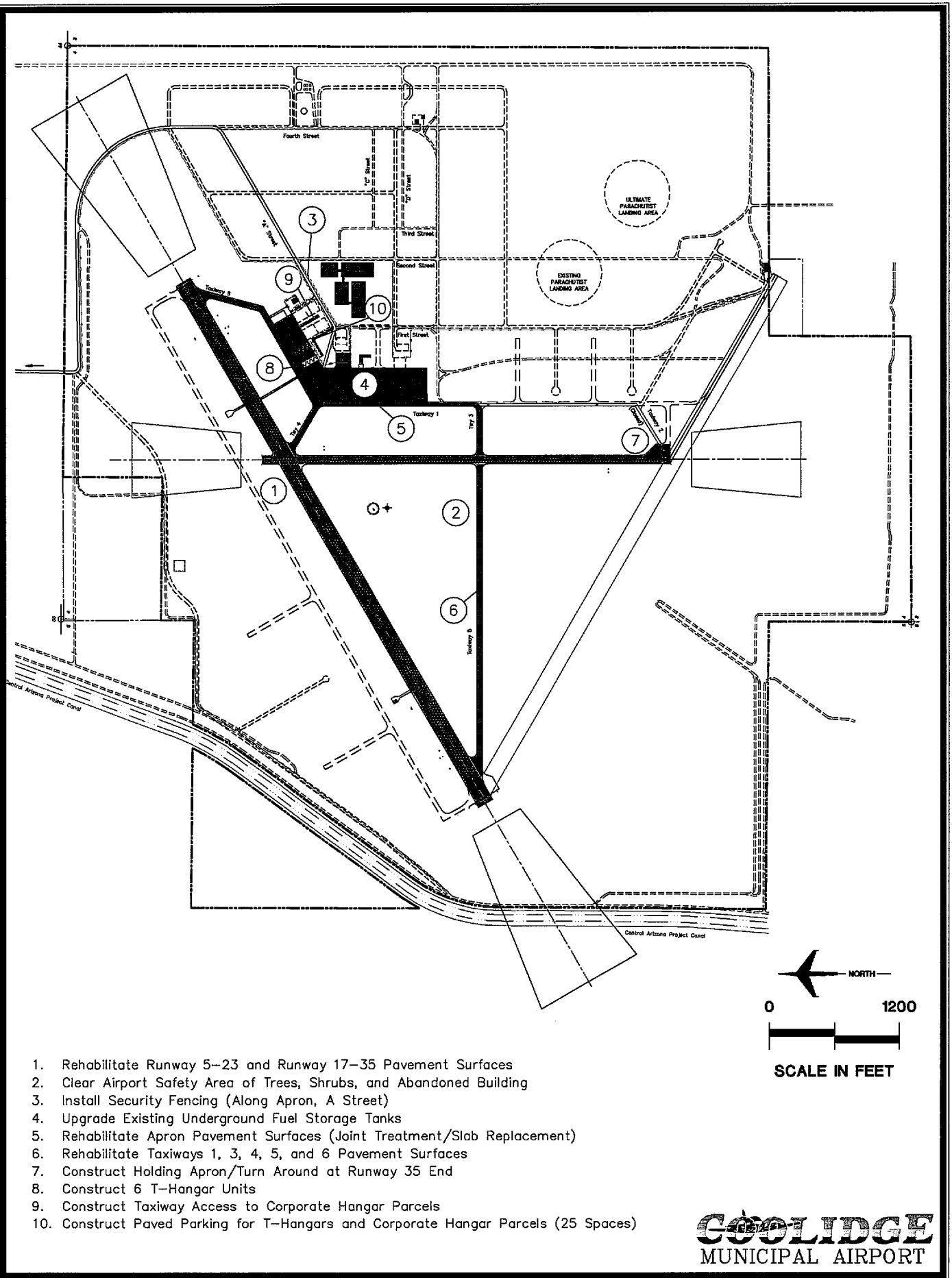
Development Item	Total Cost	FAA Eligible	ADOT Eligible	Local Share
1997				
1. Rehabilitate Runway 5-23 and 17-35 Pavement Surfaces	\$415,000	\$0	\$373,500	\$41,500
1998				
2. Clear Airport Safety Areas of Trees, Shrubs, and Abandoned Building	35,000	31,871	1,564	1,565
3. Install Security Fencing Along Apron and A Street	80,000	72,848	3,576	3,576
4. Upgrade existing underground storage tanks to Federal standards	<u>19,000</u>	<u>0</u>	<u>0</u>	<u>19,000</u>
Subtotal	134,000	104,719	5,140	24,141
1999				
5. Rehabilitate Apron Pavement Surfaces (Joint Treatment/Slab Replacement)	225,000	0	202,500	22,500
2000				
6. Rehabilitate Taxiways 1, 3, 5, and 6 Pavement Surfaces	150,000	0	135,000	15,000
7. Construct Holding Apron/Turn Around Runway 35 Threshold	<u>35,000</u>	<u>31,871</u>	<u>1,564</u>	<u>1,565</u>
Subtotal	185,000	31,871	136,565	16,565
2001				
8. Construct 6 T-hangar Units ¹	156,000	0	0	156,000
9. Construct Taxiway Access to Corporate Hangar Parcels	55,000	50,083	2,459	2,459
10. Construct Paved Parking for Corporate and T-hangars (25 Spaces)	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>15,000</u>
Subtotal	\$226,000	\$50,083	\$2,459	\$173,459
Short Term Planning Horizon Subtotal	\$1,185,000	\$186,673	\$720,164	\$278,165
¹ Eligible for State Airport Loan Program				

Plus or Minus Other Proposed Development:

Development Item	Total Cost	FAA Eligible	ADOT Eligible	Local Share
1.				
2.				
3.				
4.				
TOTAL				

Since the FAA Fiscal Year is from October through September, efforts should begin immediately to identify the development that will be eligible for federal or other funding during this

period. The City should have applications submitted early for the maximum funding possible in case additional funds become available.



INTERMEDIATE PLANNING HORIZON

Airport Development Program

The table provided below has been designed to note the funds available for development so that they can be kept in mind while analyzing the development factors outlined for this

period on the next few pages. The table also provides a reminder of other potential funding sources that might be used in critical situations.

Airport Funds Balance	\$
Bonds	\$
Contributions / Other	\$
TOTAL	\$

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the planning horizon envelope. This

should be the first step in the process of initiating the recommended development program for this period. Significant increases or decreases in actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	Intermediate Planning Horizon Forecast Levels	Actual	Difference
Based Aircraft Operations	9 to 16 9,500 to 10,400		

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which

may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors?

In order to maintain the continuity of a staged development plan and to meet forecast activity demand, the following development items are recommended. Each item is numbered so that it can

be cross-referenced on the following exhibit. The costs for each development item includes a 30 percent factor for engineering, contingency, and administration.

INTERMEDIATE PLANNING HORIZON (Continued)

Development Funding

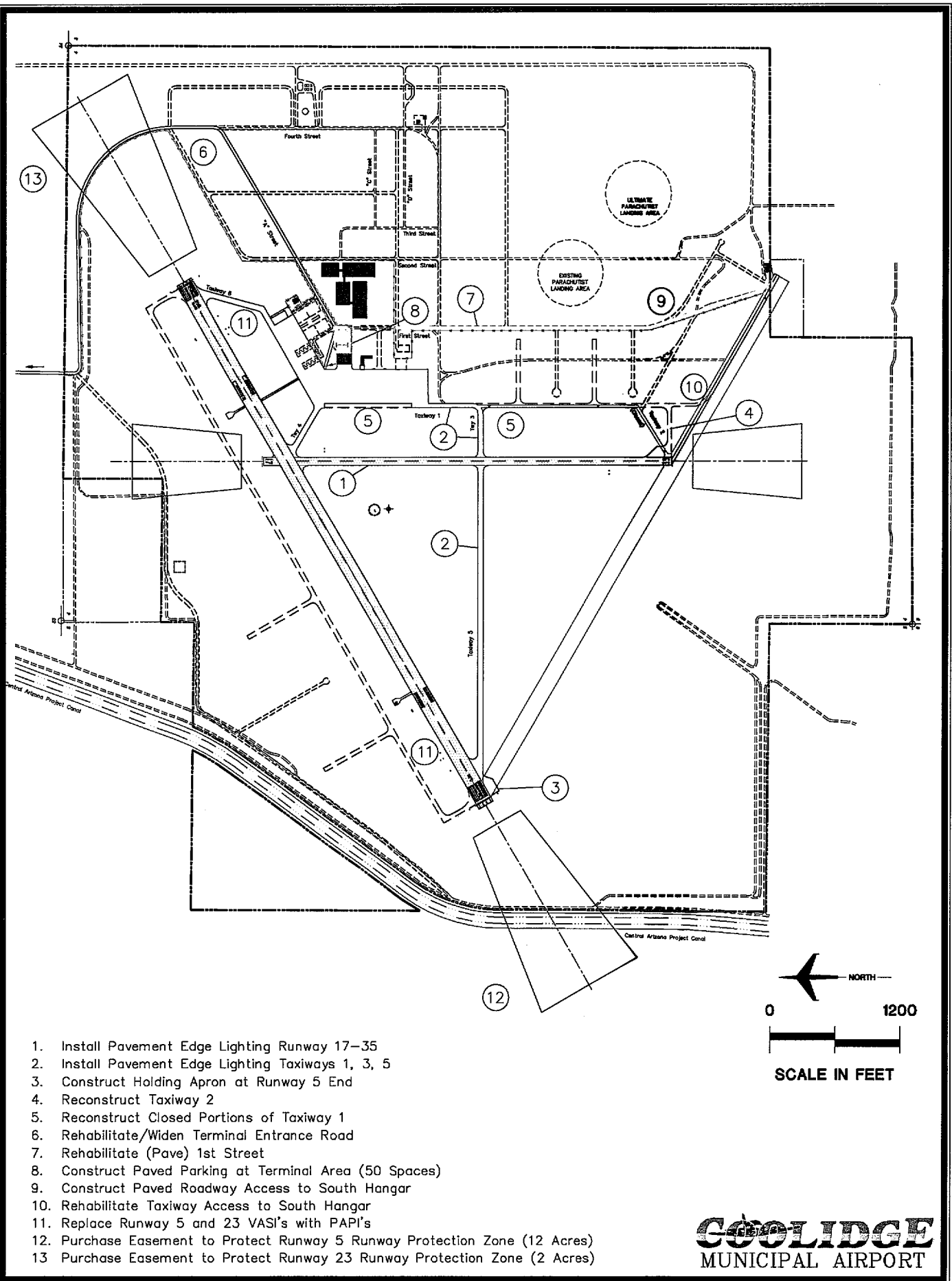
Development Item	Total Cost	FAA Eligible	ADOT Eligible	Local Share
1. Install Pavement Edge Lighting Runway 17-35	\$200,000	\$182,120	\$8,940	\$8,940
2. Install Pavement Edge Lighting Taxiways 1, 3, and 5	205,000	186,673	9,164	9,164
3. Construct Holding Apron at Runway 5 Threshold	35,000	31,871	1,564	1,565
4. Reconstruct Closed Portions of Taxiway 1	715,000	651,079	31,960	31,961
5. Reconstruct Taxiway 2	140,000	127,484	6,258	6,258
6. Rehabilitate/Widen Airport Entrance Road	150,000	136,590	6,705	6,705
7. Rehabilitate (Pave) 1st Street	25,000	22,765	1,118	1,118
8. Construct Paved Parking at Terminal Area (50 Spaces)	35,000	0	0	35,000
9. Construct Paved Roadway Access to South Hangar	75,000	68,295	3,352	3,353
10. Rehabilitate Taxiway Access to South Hangar	180,000	163,908	8,046	8,046
11. Replace Runway and 23 VASI's with PAPI's	100,000	91,060	4,470	4,470
12. Purchase Easement to Protect Runway 5 RPZ (12 ac.)	80,000	72,848	3,576	3,576
13. Purchase Easement to Protect Runway 23 RPZ (2 ac.)	15,000	13,659	671	671
Intermediate Planning Horizon Subtotal	\$1,955,000	\$1,748,352	\$85,824	\$120,824
VASI - Visual Approach Slope Indicator PAPI - Precision Approach Path Indicator RPZ - Runway Protection Zone				

Plus or Minus Other Proposed Development:

Development Item	Total Cost	FAA Eligible	ADOT Eligible	Local Share
1.				
2.				
3.				
4.				
TOTAL				

Since the FAA Fiscal Year is from October through September, efforts should begin immediately to identify the development that will be eligible for federal or other funding during this

period. The City should have applications submitted early for the maximum funding possible in case additional funds become available.



INTERMEDIATE PLANNING
HORIZON IMPROVEMENTS

LONG RANGE PLANNING HORIZON

Airport Development Program

The table provided below has been designed to note the funds available for development so that they can be kept in mind while analyzing the development factors outlined for this

period on the next few pages. The table also provides a reminder of other potential funding sources that might be used in critical situations.

Airport Funds Balance	\$
Bonds	\$
Contributions/ Other	\$
TOTAL	\$

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the planning horizon envelope. This

should be the first step in the process of initiating the recommended development program for this period. Significant increases or decreases in actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	Long Range Planning Horizon Forecast Levels	Actual	Difference
Based Aircraft Operations	16 to 25 10,400 to 12,300		

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which

may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors?

In order to maintain the continuity of a staged development plan and to meet forecast activity demand, the following development items are recommended. Each item is numbered so that it can

be cross-referenced on the following exhibit. The costs for each development item includes a 30 percent factor for engineering, contingency, and administration.

LONG RANGE PLANNING HORIZON (Continued)

Development Funding

Development Item	Total Cost	FAA Eligible	ADOT Eligible	Local Share
1 Construct 6 T-hangar Units ¹	\$156,000	\$0	\$0	\$156,000
2. Construct Conventional Hangar (10,000 s.f.)	750,000	0	0	750,000
3 Water System Upgrades	100,000	0	0	100,000
4. Sanitary Sewer System Upgrades	100,000	0	0	100,000
5 Install PAPI's to Runways 17 and 35	100,000	91,060	4,470	4,470
6 Install REIL's to Runways 5 and 23	100,000	91,060	4,470	4,470
7. Construct Public Terminal/Administration Building	200,000	0	0	200,000
8 Relocate Parachutist Landing Area	10,000	0	0	10,000
9 Construct Parallel Taxiway North of Runway 5-23	1,750,000	1,575,000	87,500	87,500
Long Range Horizon Subtotal	\$3,266,000	\$1,757,120	\$96,440	\$1,412,440
¹ Eligible for State Airport Loan Program PAPI - Precision Approach Path Indicator REIL - Runway End Identifier Lighting				

Plus or Minus Other Proposed Development:

Development Item	Total Cost	FAA Eligible	ADOT Eligible	Local Share
1.				
2.				
3.				
4.				
5.				
TOTAL				

Since the FAA Fiscal Year is from October through September, efforts should begin immediately to identify the development that will be eligible for federal or other funding during this

period. The City should have applications submitted early for the maximum funding possible in case additional funds become available.

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- A north arrow pointing to the left, labeled "NORTH". Below it is a scale bar with markings at 0 and 1200, labeled "SCALE IN FEET".

LONG RANGE PLANNING HORIZON IMPROVEMENTS